

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

SOUTH CENTRAL RURAL TELEPHONE)
COOPERATIVE CORPORATION, INC.)
GLASGOW, KENTUCKY)

I. FOR AN ORDER APPROVING AND AUTHORIZING)
IT TO BORROW \$10,710,000 FROM THE RURAL)
ELECTRIC AND TELEPHONE REVOLVING FUND AND) CASE NO. 8620
ISSUE ITS NOTE AND MORTGAGE OR OTHER)
SECURITY INSTRUMENTS TO SECURE THE SAME)

II. FOR A CERTIFICATE OF CONVENIENCE)
AND NECESSITY TO CONSTRUCT ADDITIONAL)
TELEPHONE LINES AND OTHER FACILITIES)

O R D E R

IT IS ORDERED that South Central Rural Telephone Cooperative shall file an original and eight copies of the following information with this Commission, with a copy to the Attorney General's Division of Consumer Protection, by September 17, 1982. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, 1(a), page 2 of 5. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. If neither the requested information nor a motion for an extension of time is filed, the case will be dismissed.

1. Copies of trust deeds or mortgages, if any, unless they have already been filed with the Commission, in which case reference should be made, by style and case number to the proceeding in which the trust deeds or mortgages have been filed.

2. Identify, by exchange and plant category, the cost if the construction program were limited only to serving proposed new subscribers and maintaining present plant.

3. Identify, by exchange and plant category, the proposed cost of trunking and COE additions related solely to EAS requirements.

4. Identify, as best you can, the "communities of interest" of each exchange. Limit this list to such "communities of interest" which already have EAS with each particular exchange. Provide with this a comparative list of all exchanges which have EAS with each particular exchange.

5. Identify, as best you can, the impact (both financial and other) if EAS routes were eliminated (i.e., became toll routes) between exchanges other than those where a "community of interest" is involved.

6. How many proposed COE digital conversions and remote digital additions could be deferred, and for what period of time, if the 1-party upgrading program were deferred and EAS routes were eliminated, as proposed in the previous question?

7. Provide an amortization schedule of the proposed loan.

8. Indicate the period of time covered in the exhibit,
Forecast of Revenues and Expenses.

9. Generally explain the underlying assumptions and calculations used in the projections of revenues and expenses in the forecast of revenues and expenses.

10. Do you foresee or anticipate that this additional indebtedness will necessitate an increase in your rates?

11. Provide details of any studies performed to determine whether these borrowings will necessitate an increase in your rates?

12. Is any of the proposed construction and expenditures of money related to the cooperatives last construction and loan? If so identify the uncompleted work and the amount of the loan which will be used to complete that work. Include an explanation of any overruns.

13. Will the work be done in-house by your own employees or will it be contracted out? If by contract provide the names of the firms who will construct these facilities.

14. Explain the basis for your determination of a 10 percent inflation factor on the equipment detail sheet, Form 4064.

15. An estimated statement of operations for 1982, 1983, 1984, 1985 and 1986 and the year after the proposed facilities are completed, shown in comparative form. Submit workpapers used in determining the analysis.

16. In your annual report for December 31, 1981, you show on Schedule 34, Rent Revenue of \$85,528. Provide a brief narrative explanation of this revenue.

Done at Frankfort, Kentucky, this 3rd day of September, 1982.

PUBLIC SERVICE COMMISSION

Martin M. Volk
Chairman

/
Vice Chairman

/
Commission

ATTEST:

Secretary